

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION

UNITED STATES OF AMERICA

V.

STANLEY P. BATES

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§
§

CAUSE NO. SA-17-CR-381 DAE

DEFENDANT’S SENTENCING MEMORANDUM

TO THE HONORABLE DAVID EZRA, SENIOR UNITED STATES DISTRICT JUDGE FOR
THE WESTERN DISTRICT OF TEXAS:

Stanley P. Bates asks this Court to take into consideration his extraordinary military service, acceptance of responsibility and cooperation, and his pretrial rehabilitation when deciding upon “a sentence [that is] sufficient, but not greater than necessary.” 18 U.S.C. § 3553(a). He also asks that the Court consider his continuing legal objections to the “abuse of trust” enhancement, “leader/organizer” enhancement, and the “obstruction of justice” enhancement. Based on any or all of the foregoing legal and factual grounds, he asks for a sentence below the advisory Guidelines range.

I.

Unlike his codefendants, Mr. Bates did not stand before this Court contesting his guilt or maligning his codefendant’s character. Instead, he pleaded guilty. He offered the Government his assistance. Now, he seeks to tell his story.

A. Mr. Bates’s Story

At the age of 16, Mr. Bates left his home, not that he had much of a home left to leave. His mother was serving a two-year sentence for theft by check. His siblings were struggling to make ends meet. During the last two years of high school, Mr. Bates worked three jobs and lived in a

trailer by himself. Upon graduation, he immediately enlisted in the United States Marine Corps. While serving in the Marine Corps, Mr. Bates was awarded numerous awards and recognitions. One of those medals includes the Navy Marine Corps Medal, which is the highest non-combat decoration. *See* Exhibit 1 (Awards and Recognitions); *see also* letters of support separately submitted to the Court. He was also awarded the following medals and decorations: Navy and Marine Corps Achievement Medal (twice); Marine Corps Recruiting Ribbon; Good Conduct Medal (twice); Sea Service Deployment Ribbon (twice); Armed Forces Expeditionary Medal; Navy Unit Commendation (four time); Humanitarian Services Medal (twice); Certificate of Commendation (five times); Meritorious Mast (eight times); Navy and Marine Corps Overseas Service Ribbon; Letter of Appreciation (five times); and the Marine Corps Expeditionary Medal. *See* Exhibit 1 and Presentence Investigation Report (PSR), para. 104. Mr. Bates was honorably discharged in 2002.

In 2002, Mr. Bates took a job as a cars salesman in Harlingen, Texas. Through hard work, Mr. Bates worked his way up to a general manager. Eventually, he earned the position of platform manager. In 2010, Mr. Bates founded a small advertising company, B&B Advertising. Mr. Bates spent his spare time scouting oil and gas rig sites. He would take beer and a hibachi grill to drill sites to network with workers. Janice Hoppe, *FourWinds Logistics*, Energy & Mining International, www.emi-magazine.com/sections/profiles/1083-fourwinds-logistics (last visited Jul. 31, 2018). Mr. Bates was studying an industry he hoped to break into. Through research and networking, he identified problems that the blue collar men faced at these drill sites. He then thought of solutions to fix some of these problems. This is how he came up with the idea of launching a sand fracking company. *Id.*

The company he ended up creating was an ambitious one. FourWinds Logistics (hereinafter “FourWinds”) was created because Mr. Bates saw that frac sand was in high demand but very low supply due to the logistical challenges that surrounded its extremely long distance transport. *Id.* What this resulted in was a product that had a very high potential for profit, and a new market niche that few had identified yet.

In 2012, when FourWinds was started, Mr. Bates invested his own money. Initially, Mr. Bates used his earnings from B&B Advertising to pay for all costs associated with FourWinds, such as, salaries, health insurance, and business expenses. *See e.g.* Exhibit 2. He hired friends, former business associates, and former Marines. He had experience as a car salesman, general manager, and platform manager. He drew on these experiences to generate excitement and interest in his new business venture. Once Mr. Bates had the company up and running, it became clear that in order to expand into the sand fracking industry, he was going to need more liquid capital. He secured lines of credit and began seeking investors. *Id.* Mr. Bates used his research, networking, and observations to introduce a new concept to the sand fracking industry—bringing the “mail tracking” idea from USPS and applying it to his business so that drilling companies could track their frac sands. This could have been the beginning of a story of hard work and success, an outsider bootstrapping himself into a highly closed-off industry, but it instead became a fiasco. It became a fiasco due to bad market timing, bad advice, and bad choices.

Bad Market Timing. Frac sand, which at the time of FourWinds’s founding was a commodity that was in high demand throughout the country for its use in fracking, collapsed in value. *See e.g.* Zoe Biller, *The Future of the Frac Sand Market*, MARKET RESEARCH BLOG (Dec. 1, 2016), <https://blog.marketresearch.com/the-future-of-the-frac-sand-market> (last accessed Jul. 31, 2018); *see also* Joe Taschler, *Oil price war catches state’s frac sand mines in the crossfire*,

JOURNAL SENTINEL Interactive (Jan. 17, 2015), <http://archive.jsonline.com/business/oil-price-war-catches-states-frac-sand-mines-in-the-crossfire-b99426314z1-288923781.html/> (last accessed Jul. 31, 2018). A global drop in oil prices meant the entire niche that FourWinds was founded to fill, closed up nearly overnight. Previously it had been predicted that frac sand prices would continue to skyrocket by almost ninety percent. Instead, the price plummeted. FourWinds was left holding the bag of a commodity crash. All of FourWinds's investment in infrastructure for the transport of frac sand (along with contracts with eight mining and warehouse companies and three bare companies) became suddenly worthless.

Bad Advice. Before the market had crashed, Mr. Bates had employed Carlos Uresti as his personal attorney and corporate attorney.¹ Mr. Bates told Mr. Uresti about his vision for the company and his need for a fresh infusion of capital to take advantage of a new opportunity in frac sand. Mr. Uresti offered to procure investors for Mr. Bates, as long as he was paid a percentage of each investment. At that time, Mr. Bates was not aware of Mr. Uresti's fraudulent behavior towards his client, Denise Cantu. Mr. Bates did not know that Mr. Uresti was alleged to have bribed judges or engaged in other public corruption. Mr. Bates, having invested all of his money into FourWinds was seeking advice and support in order to make his business venture a success. Up until this point, Mr. Bates was not living a lavish lifestyle. He was not using cocaine. Instead, he was traveling to job sites, negotiating sales, and putting in long hours to make FourWinds a success. Mr. Bates recognized that he needed help. He is not an attorney. He has no experience being a Chief Financial Officer. Indeed, of his codefendants, Mr. Bates has the least experience and knowledge about operating a business of this sort. Of his codefendants, Mr. Bates has the least formal education.

¹ During the midst of Mr. Uresti serving as Mr. Bates's corporate counsel, Mr. Bates hired Mr. Uresti to help him with a child support issue.

He knew this, and this is ultimately why he employed Mr. Uresti. In turn, Mr. Uresti and Nico LaHood strongly insisted that Mr. Bates employ Mr. Cain.

Before the market crashed, Mr. Uresti advised Mr. Bates that in order to make it through the tough times they just needed more investors. As Mr. Uresti continued to take cuts of each investment, he brought more money to the failing business and convinced Mr. Bates to do the same. As noted by several witnesses, in hindsight, Mr. Uresti's advice to Mr. Bates as FourWinds's corporate counsel was self-serving. During this time period, Mr. Uresti served as Mr. Bates's child support attorney, Ms. Cantu's personal attorney, corporate counsel for FourWinds, escrow attorney for the IOLTA accounts and other accounts, and broker for the joint venture agreements. These various roles directly conflicted with each other. Mr. Uresti's actions in this case reflects that conflict. Mr. Uresti ensured that he would continue to get commissions and fees regardless of what happened to FourWinds. Ultimately, Mr. Uresti told Mr. Bates that in order to keep the business alive, Mr. Bates would have to take extraordinary steps—illegal steps. Had Mr. Bates testified, he would have informed the Court that Mr. Uresti, FourWinds's corporate counsel at the time, advised him to alter the bank records. Mr. Bates does not blame Mr. Uresti for his actions. He recognizes that he was the one that ultimately made bad choices. He only asks that the Court understand that his business plan was not a Ponzi scheme before 2014. It was never designed by Mr. Bates to be a Ponzi scheme. It was a business plan that failed because of bad market timing, bad advice, and bad choices.

Bad Choices. What happened ultimately comes down to Mr. Bates himself. Mr. Bates got caught up in a lifestyle that he thought he needed to have in order to bring investors to the table. While Mr. Bates has a considerable amount of experience being a salesman, managing stable businesses, and even starting up small businesses, at the time he started FourWinds he had no

experience operating a business in the oil and gas industry. None of his many medals, awards, or distinguished service recognitions prepared him for the operation of a multimillion-dollar oil and gas business. He did not have experience managing the amount of money that ended up in the accounts of FourWinds. The twelve pack of beer he used to bring to drill sites to network with blue collar workers became a highball glass of whiskey he brought to office rooms for business meetings with white-collar administrators. He started to use cocaine. He started to network in places like strip clubs. It is unsavory and he regrets it. He recognizes now, in hindsight, that it escalated until it was completely out of control. Mr. Bates became desperate. He started misusing his persuasion skills and business sense. With the curtain closing on FourWinds due to the market downturn, and with outstanding contracts and lines of credit still hanging over him, the lavish lifestyle he had adopted in order to impress potential investors became a massive liability.

He then made the choices that brings him before the court. Mr. Bates acknowledges that he made very bad choices. It was a confluence of events that in no way excuses him or reduces his responsibility. Mr. Bates is remorseful for his actions and the damage he caused others.

As noted by the numerous letters of support separately submitted to the Court, Mr. Bates is hardworking. Mr. Bates has the ability to earn the money needed to pay back the victims of this crime. Unlike his codefendants, Mr. Bates pleaded guilty to the crime and acknowledged his guilt. Unlike his codefendants, Mr. Bates ultimately cooperated fully with the Government and offered his help. Mr. Bates was ready and willing to cooperate with the Government pre-indictment. He wanted to cooperate and help the Government at the time his prior attorney, Karl Basile, represented him. Only after current counsel was appointed was Mr. Bates able to cooperate with the Government, which is what he wanted to do from the start. Mr. Bates was ready and willing to be called to the stand to testify against his codefendants at their trial. Mr. Bates has not obstructed

the investigation or prosecution of this case. Instead, he attempted, from the start, to help the Government. By doing so, he saved the Government resources and shortened the length of the trial.

While on pretrial release, Mr. Bates has complied with all of his conditions of pretrial release. He is now sober, and has been for three years. He has consistently found work even though it has been difficult. One of his jobs involved providing disaster relief in Houston after the hurricane. Mr. Bates would like the opportunity to work and repay his victims, and he cannot repay his victims while behind bars. Mr. Bates asks this Court to take into consideration not only the offense conduct and his personal history and characteristics, but also his desire to work and pay back the victims.

II.

B. Continuing Objections and Factors for Variance.

Mr. Bates submitted a detailed list of objections to the Probation Officer, the Government, and the Court. Based on the revisions to his PSR, he maintains his objections to the “leader/organizer” enhancement and the “obstruction of justice” enhancement. He also objects to the “abuse of trust” enhancement, which was added to the PSR at the time the PSR was revised. He maintains that his total sentencing range should be no more than 51 to 63 in light of his legal objections. Alternatively, he asks the Court to consider his legal objections as grounds for a variance pursuant to 18 U.S.C. § 3553(a).

Mr. Bates was not a leader/organizer. The federal illegal conduct in this case amounts to e-mails he and Mr. Uresti sent to investors containing altered bank records. Mr. Uresti advised Mr. Bates to make those alterations. The Government’s evidence shows Mr. Uresti being at FourWinds at the time these altered documents were created and the Government’s evidence

shows Mr. Uresti sent the e-mails containing those altered documents to Ms. Cantu shortly thereafter. Furthermore, the PSR as well as trial testimony make clear that around the time these events took place, Mr. Uresti was receiving fees and commissions on the investments and he was in the process of losing Ms. Cantu as a client. His advice to Mr. Bates regarding the creation of fraudulent documents was self-serving. To the extent that this Court is inclined to give Mr. Bates a “leader/organizer” enhancement, he asks that the Court consider adding two-levels to his total offense level instead of the four levels recommended in the PSR.

Mr. Bates did not obstruct the investigation or prosecution of this case. To the contrary, he has offered to help the Government from the start. As noted above, Mr. Bates pleaded guilty in a timely fashion and stood ready to testify against his codefendants. Mr. Bates’ statement to Ms. Jacobs was not to hinder any proceeding. Indeed, it did not. Even assuming Mr. Bates advised Ms. Jacobs to testify carefully about the employment contract that Mr. Cain took when Mr. Bates fired him, his statement to Ms. Jacobs has no bearing on the fraudulent conduct that is the foundation of this case. Mr. Bates has acknowledged from the start that his alteration of bank records was fraudulent and wrong.

Mr. Bates objects to the belated inclusion of the “abuse of trust” enhancement. At the time of the PSR’s creation, Probation did not believe the “abuse of trust” enhancement applied. It appears from the Addendum to the Presentence Report that the Government advised Probation that it believed the “abuse of trust” enhancement applies. However, defense counsel was not given a copy of the Government’s objections, nor was it aware that the Government was taking such a position. Mr. Bates objects to the application of the “abuse of trust” enhancement because it does not apply based on the evidence in this case. He did not abuse a position of trust or use a specialized skill. His offense conduct involved misleading investors with a fraudulent bank record. This

conduct is accounted for in his offense level. He did not have a specialized skill that facilitated his misrepresentation. His conduct does not fit within any of the examples provided in USSG § 3B1.3.

Finally, Mr. Bates ask this Court to take into consideration the sentencing disparity these enhancements create in this case. As a result of these enhancements, Mr. Bates's Guidelines are higher than or comparable to, Mr. Uresti's and Mr. Cain's advisory Guidelines. This is so even though Mr. Bates is the only codefendant to have pleaded guilty and cooperated with the Government.

III.

Mr. Bates asks the Court to consider a sentence below the advisory Guidelines range based on his extraordinary military service, acceptance of responsibility and cooperation, and his rehabilitation while on pretrial release. Additionally and/or alternatively, he asks this Court to take into consideration his continuing legal objections as grounds for a variance in light of 18 U.S.C. § 3553(a).

Respectfully submitted.

MAUREEN SCOTT FRANCO
Federal Public Defender

/s/ KURT G. MAY
Assistant Federal Public Defender
Western District of Texas
727 East César E. Chávez Blvd., B-207
San Antonio, Texas 78206-1205
(210) 472-6700
(210) 472-4454 (Fax)
State Bar Number: 00789874

Attorney for Defendant

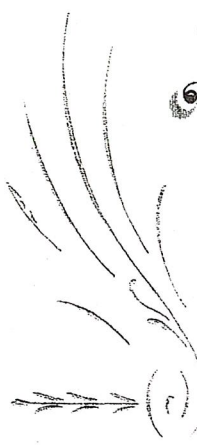
CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of August, 2018, I electronically filed the foregoing Defendant's Sentencing Memorandum with the Clerk of Court using the CM/ECF system which will send notification of such filing to the following:

Joseph Blackwell
Mark Roomberg
William Harris
Erica Giese
Assistant United States Attorneys
601 N. W. Loop 410, Suite 600
San Antonio, Texas 78216

/s/ KURT G. MAY

Unimutable Testimony



FIDELI CERTA MERGES

from the Armed Forces of the United States of America

This is hereby that

SERGEANT STANLEY P. BATES 438 19 3280/0811

was Honorably Discharged from the

United States Marine Corps

on the 16TH *day of* JANUARY 1998 *This certificate is awarded*

as a testimony of Honest and Faithful Service

R. A. CHRISTIE, LIEUTENANT COLONEL

COMMANDING

DEFENDANT'S
EXHIBIT

CASE
NO. SA-17-CR-381

EXHIBIT
NO. 1

Honorable Discharge



FIDELI CERTA MERCES
from the Armed Forces of the United States of America

This is to certify that

CORPORAL STANLEY P. BATES

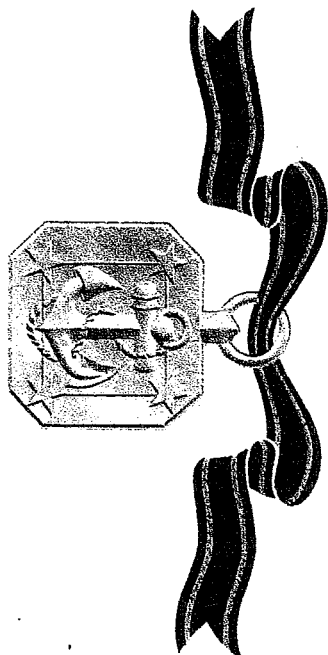
was Honorably Discharged from the

United States Marine Corps

on the 7th *day of* APRIL 1994 *This certificate is awarded*

as a testimony of Honor and Faithful Service

Ernest
H. JENSEN JR., COLONEL, USMC



DEPARTMENT OF THE NAVY

THIS IS TO CERTIFY THAT
THE SECRETARY OF THE NAVY HAS AWARDED THE

NAVY AND MARINE CORPS ACHIEVEMENT MEDAL GOLD STAR IN LIEU OF SECOND AWARD

TO
SERGEANT STANLEY P. BATES
UNITED STATES MARINE CORPS
FOR

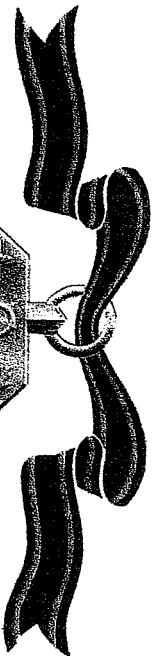
"PROFESSIONAL ACHIEVEMENT WHILE SERVING AS A HOWITZER SECTION CHIEF FOR BATTERY G, 2D BATTALION, 10TH MARINES, FROM 8 FEBRUARY 1997 TO 5 JANUARY 1998. DURING THIS PERIOD, SERGEANT BATES DEMONSTRATED SUPERIOR LEADERSHIP AND PROFESSIONAL SKILLS IN THE PERFORMANCE OF HIS DUTIES. A SKILLED MENTOR, HIS DAILY EXAMPLE AND INSTRUCTION TO HIS MARINES POSITIVELY INFLUENCED THEIR PERFORMANCE, ESPRIT, AND PROFESSIONAL DEVELOPMENT. HIS PROFICIENCY IN BOTH ARTILLERY AND INFANTRY SKILLS COUPLED WITH INNOVATIVE INSTRUCTIONAL TECHNIQUES DIRECTLY CONTRIBUTED TO THE TECHNICAL PROFICIENCY OF SUBORDINATES AND THE OVERALL COMBAT READINESS OF BATTERY G. HIS CHARISMA, DEDICATION, AND INTELLIGENCE ARE NOTEWORTHY AND RESULTED IN HIS RECOGNITION AS AN ACCOMPLISHED LEADER WITHIN THE 10TH MARINE REGIMENT. SERGEANT BATES' PERSONAL LEADERSHIP EXAMPLE AND TOTAL DEDICATION TO DUTY REFLECTED GREAT CREDIT UPON HIMSELF AND WERE IN KEEPING WITH THE HIGHEST TRADITIONS OF THE MARINE CORPS AND THE UNITED STATES NAVAL SERVICE."

GIVEN THIS 9th DAY OF March 19 98



R. A. Christie
SECRETARY OF THE NAVY

R. A. CHRISTIE
LIEUTENANT COLONEL, USMC
COMMANDING OFFICER, 2DBN, 10THMAR



DEPARTMENT OF THE NAVY

THIS IS TO CERTIFY THAT

THE SECRETARY OF THE NAVY HAS AWARDED THE

NAVY AND MARINE CORPS ACHIEVEMENT MEDAL

TO
SERGEANT STANLEY P. BATES
UNITED STATES MARINE CORPS

FOR

"FOR PROFESSIONAL ACHIEVEMENT WHILE SERVING AS LOCAL SECURITY CHIEF, BATTERY G, 2D BATTALION, 10TH MARINES FROM 1 FEBRUARY 1997 TO 7 FEBRUARY 1997. DURING THIS PERIOD, SERGEANT BATES DEMONSTRATED SUPERIOR LEADERSHIP AS WELL AS TACTICAL AND TECHNICAL EXPERTISE. UNDER ARDUOUS CONDITIONS HE ENSURED THE AGGRESSIVE EMPLOYMENT OF ALL BATTERY WEAPON SYSTEMS, QUICKLY ESTABLISHING SECURITY IN EACH POSITION. PERSONALLY DIRECTING BATTERY POSITION IMPROVEMENT, HE ARTFULLY CONSTRUCTED COMPREHENSIVE DEFENSIVE POSITIONS. HIS DILIGENCE RESULTED IN NUMEROUS LAUDATORY REMARKS FROM MARINE CORPS COMBAT READINESS EVALUATION EVALUATORS WHICH DISTINGUISHED HIS DEFENSIVE PLAN AS THE BEST IN THE REGIMENT. SERGEANT BATES' INITIATIVE AND TOTAL DEDICATION TO DUTY REFLECTED GREAT CREDIT UPON HIMSELF AND WERE IN KEEPING WITH THE HIGHEST TRADITIONS OF THE MARINE CORPS AND THE UNITED STATES NAVAL SERVICE."

GIVEN THIS 25th DAY OF February 19 97



[Signature]
J.D. E. HOCKEY
LIEUTENANT COLONEL, USMC
COMMANDING OFFICER 2DBN, 10THMAR

UNITED STATES MARINE CORPS



Certificate of Commendation

THE COMMANDING OFFICER, 8TH MARINE CORPS DISTRICT, NEW ORLEANS, LOUISIANA

Staff Sergeant Stanley P. Bates

STAFF SERGEANT STANLEY P. BATES
UNITED STATES MARINE CORPS

for

Optional performance of duty while serving as a canvassing recruiter, Recruiting Substation Ingram, The Corps Recruiting Station San Antonio, Texas, 8th Marine Corps District during "Operation Breakout" in 2 October 2000 to 30 November 2000. During this period, Staff Sergeant Bates' highly disciplined application of systematic recruiting techniques contributed immeasurably to the success of his recruiting station. His personal commitment to recruiting excellence and mission accomplishment resulted in him giving 6th place honors within the District's Individual Recruiters (PRO) category. Staff Sergeant Bates' exemplary performance of duty reflected great credit upon himself and was in keeping with the highest traditions of the United States Marine Corps.

19 December 2000

Diado

P. S. Parkhurst

P. S. PARKHURST
Colonel, U. S. Marine Corps
Commanding

United States Marine Corps



Certificate of Commendation

Commanding Officer, Marine Barracks, Guam, Mariana Islands

for meritorious service in commanding

LANCE CORPORAL STANLEY P. BATES 438 19 3280/0341 USMC

for

Outstanding performance of duty while serving as Armory Custodian and Police Sergeant, Guard Company, Marine Barracks, Guam, M. I. from 1 June 1991 to 8 June 1992. Lance Corporal Bates' positive "can do" attitude throughout this period was instrumental in the daily upkeep of three separate facilities, a \$38,000 non-appropriated barracks fund, and the company's tool and equipment accountability. Through arduous hours of hard work and meticulous attention to detail his personal efforts contributed significantly to his unit's overall mission readiness. Lance Corporal Bates' selfless dedication and devotion to duty reflect great credit upon himself and are in keeping with the highest traditions of the United States Marine Corps.

28 May 1992

Stanley

Stanley

J. M. NAYLOR
Colonel, U. S. Marine Corps
Commanding

8TH MARINE CORPS DISTRICT

This is to certify that

**STAFF SERGEANT STANLEY P. BATES
UNITED STATES MARINE CORPS**

has been awarded the

MARINE CORPS RECRUITING RIBBON

FOR

*Successful completion of a demanding and challenging
assignment from*

10 JUNE 1998 TO 10 JUNE 2001

GIVEN THIS 28TH DAY OF JUN 2001



P. S. Parkhurst

**P. S. PARKHURST
COLONEL, U.S. MARINE CORPS
COMMANDING OFFICER
EIGHTH MARINE CORPS DISTRICT**



Staff Sergeant Stanley P. Bates 438 19 3280 USMC

was, on the 1st day of November, 2000,

the subject of a

MERITORIOUS MAST

conducted by the

Commanding Officer
Marine Corps Recruiting Station
San Antonio, Texas

for outstanding service as follows:

Superior achievement in the professional performance of your duties while serving as a Canvassing Recruiter assigned to Recruiting Substation Ingram, Marine Corps Recruiting Station San Antonio, Texas from 1 to 31 October 2000. Your dedication to duty is evident by your enlistment of 4 highly qualified applicants. Your efforts exemplify the high standards expected of all Marines and reflect great credit upon yourself, the Marine Corps and the United States Naval Service. Congratulations on a job well done!

A stylized, handwritten signature in black ink, appearing to read "A. L. Orr II".

A. L. ORR II
Major, U. S. Marine Corps
Commanding



Staff Sergeant Stanley P. Bates 438 19 3280 USMC

was, on the 1st day of October, 2000,

the subject of a

MERITORIOUS NAST

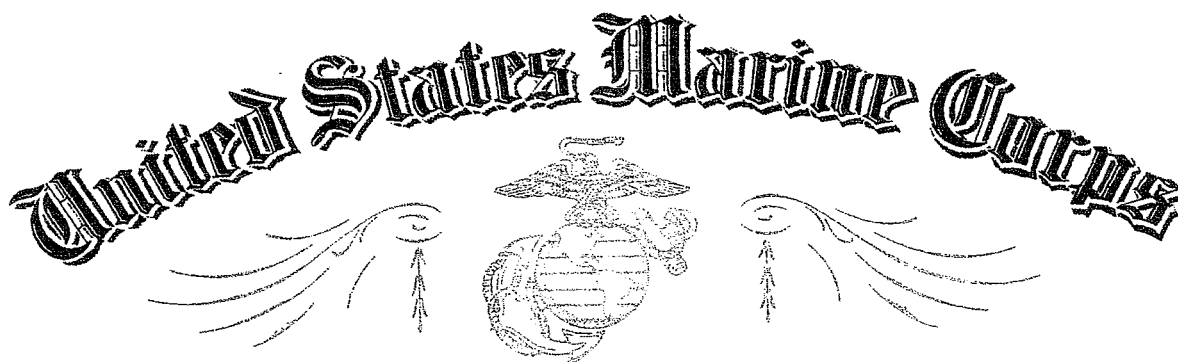
conducted by the

Commanding Officer
Marine Corps Recruiting Station
San Antonio, Texas

for outstanding service as follows:

Superior achievement in the professional performance of your duties while serving as a Canvassing Recruiter assigned to Recruiting Substation Ingram, Marine Corps Recruiting Station San Antonio, Texas from 1 to 30 September 2000. Your dedication to duty is evident by your enlistment of 4 highly qualified applicants. Your efforts exemplify the high standards expected of all Marines and reflect great credit upon yourself, the Marine Corps and the United States Naval Service. Congratulations on a job well done!

A. L. ORR II
Major, U. S. Marine Corps
Commanding



Staff Sergeant Stanley P. Bates 438 19 3280 USMC

was, on the 1st day of September, 2001,

the subject of a

MERITORIOUS PLAST

conducted by the

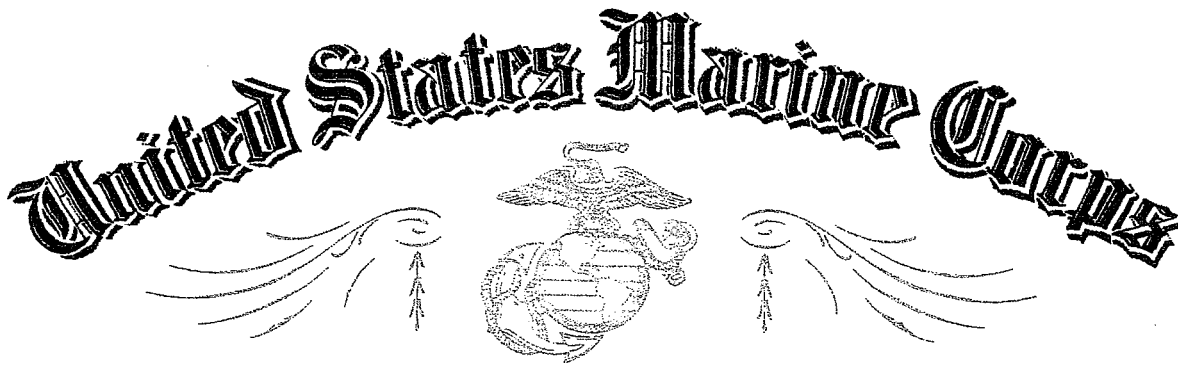
Commanding Officer
Marine Corps Recruiting Station
San Antonio, Texas

for outstanding service as follows:

Superior achievement in the professional performance of your duties while serving as a Canvassing Recruiter assigned to Recruiting Substation Ingram, Marine Corps Recruiting Station San Antonio, Texas from 1 to 31 August 2001. Your dedication to duty is evident by your enlistment of 4 highly qualified applicants. Your efforts exemplify the high standards expected of all Marines and reflect great credit upon yourself, the Marine Corps and the United States Naval Service. Congratulations on a job well done!

A handwritten signature in black ink, appearing to read "J. F. Glynn", is written over a horizontal line.

J. F. GLYNN
Major, U. S. Marine Corps
Commanding



Staff Sergeant Stanley P. Bates 438 19 3280 USMC

was, on the 1st day of August, 2000,

the subject of a

MERITORIOUS MAST

conducted by the

Commanding Officer
Marine Corps Recruiting Station
San Antonio, Texas

for outstanding service as follows:

Superior achievement in the professional performance of your duties while serving as a Canvassing Recruiter assigned to Recruiting Substation Ingram, Marine Corps Recruiting Station San Antonio, Texas from 1 to 31 July 2000. Your dedication to duty is evident by your enlistment of 5 highly qualified applicants. Your efforts exemplify the high standards expected of all Marines and reflect great credit upon yourself, the Marine Corps and the United States Naval Service. Congratulations on a job well done!

A. L. ORR II
Major, U. S. Marine Corps
Commanding



Staff Sergeant Stanley P. Bates 438 19 3280 USMC

was, on the 5th day of July, 2000,

the subject of a

MERITORIOUS MAST

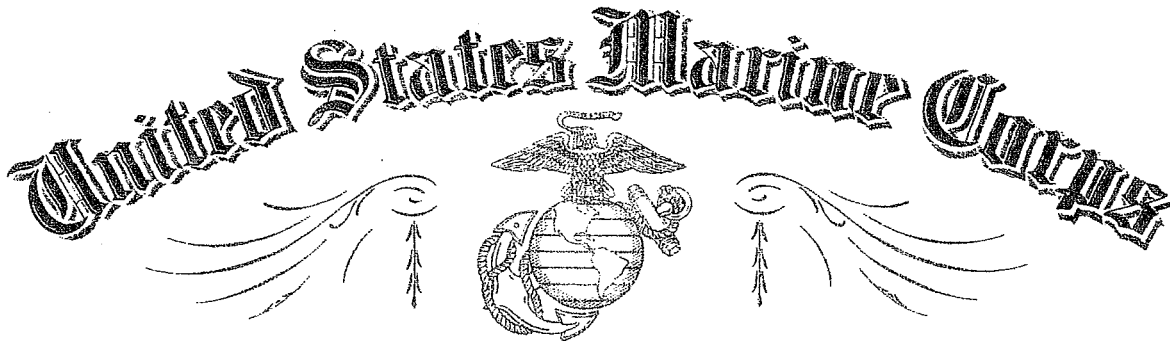
conducted by the

Commanding Officer
Marine Corps Recruiting Station
San Antonio, Texas

for outstanding service as follows:

Superior achievement in the professional performance of your duties while serving as a Canvassing Recruiter assigned to Recruiting Substation Ingram, Marine Corps Recruiting Station San Antonio, Texas from 1 to 30 June 2000. Your dedication to duty is evident by your enlistment of 5 highly qualified applicants. Your efforts exemplify the high standards expected of all Marines and reflect great credit upon yourself, the Marine Corps and the United States Naval Service. Congratulations on a job well done!

A. L. ORR II
Major, U. S. Marine Corps
Commanding



Lance Corporal Stanley P. Bates 438 19 3280/0341 USMC

was, on the 29th day of July, 1993,

the subject of a

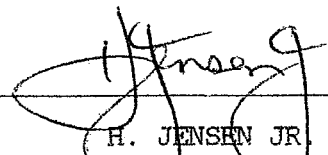
MERITORIOUS MAST

conducted by the

Commanding Officer
Weapons Training Battalion
Marine Corps Recruit Depot
Parris Island, South Carolina 29905-7001

for outstanding service as follows:

For outstanding performance of duties and selection as the Weapons Training Battalion's Marine of the Quarter, for the Third Quarter of Fiscal Year 1993. Since joining this command, Lance Corporal Bates has distinguished himself as a top performer and has rapidly advanced in his ability to handle increased responsibility and authority. While assigned to Chosin Line, his daily performance has been nothing short of outstanding. Always maintaining a desire to learn, he seeks every opportunity to develop new skills. His capable, hard-working and intelligent approach to his duties along with his "Can Do" attitude have earned him the respect of his fellow Marines. His outstanding professionalism reflects great credit upon himself and is in keeping with the highest traditions of the United States Marine Corps.


H. JENSEN JR.
Colonel, U. S. Marine Corps
Commanding Officer



Lance Corporal Stanley P. Bates 438 19 3280/0341 USMC

was, on the 3rd day of May, 1993,

the subject of a

MERITORIOUS MAST

conducted by the

Commanding Officer
Weapons Training Battalion
Marine Corps Recruit Depot
Parris Island, South Carolina 29905-7001

for outstanding service as follows:

During the period 1 March 1993 to 30 April 1993, as a member of Weapons Training Battalion's burial detail, Lance Corporal Bates was assigned as a Pall Bearer. In that capacity, he endured the many long hours of practice necessary to perfect such a prestigious ceremony. During this period, Lance Corporal Bates displayed a positive attitude in spite of the frequency and often short notice of the many details. His professionalism, dedication, and exemplary military appearance brought many favorable comments from the Funeral Directors and family members. His actions reflect great credit upon himself, Weapons Training Battalion, and is in keeping with the highest traditions of the United States Marine Corps.

H. JENSEN JR.
Colonel, U. S. Marine Corps
Commanding Officer



To all who shall see these presents, greeting:

Know Ye, that reposing special trust and confidence in the fidelity and abilities of Stanley P. Bates 438 19 3280 *, I do*

appoint this Marine a Sergeant *in the*

United States Marine Corps

to rank as such from the first *day of* September, nineteen hundred and ninety-five.

This appointee will therefore carefully and diligently discharge the duties of the grade to which appointed by doing and performing all manner of things thereunto pertaining. And I do strictly charge and require all personnel of lesser grade to render obedience to appropriate orders. And this appointee is to observe and follow such orders and directions as may be given from time to time by Superiors acting according to the rules and articles governing the discipline of the Armed Forces of the United States of America

Given under my hand at BLT 2/6, 26th MEU *this* first *day of* September, in the year of our Lord nineteen hundred and ninety-five.

AUTHORITY MCBul 1430 dtd 23 Aug 95

DATE PROMOTION
IS EFFECTIVE FOR PAY
AND ALLOWANCES 1 September 1995

J. R. Allen
J. R. ALLEN

Lieutenant Colonel, USMC
Commanding



To all who shall see these presents, greeting:

Know Ye, that reposing special trust and confidence in the fidelity and abilities of

STANLEY P. BATES 438 19 3280

, I do

appoint this Marine a

CORPORAL

in the

United States Marine Corps

to rank as such from the FIRST *day of* MAY *, nineteen*
hundred and NINETY-THREE

This appointee will therefore carefully and diligently discharge the duties of the grade to which appointed by doing and performing all manner of things thereunto pertaining. And I do strictly charge and require all personnel of lesser grade to render obedience to appropriate orders. And this appointee is to observe and follow such orders and directions as may be given from time to time by Superiors acting according to the rules and articles governing the discipline of the Armed Forces of the United States of America

Given under my hand at WPNSTRNGBN MCRD PISC 29905-9001

this FIRST *day of* MAY *, in the year of our Lord nineteen*
hundred and NINETY-THREE

AUTHORITY MCBUL 1430 DTD 23 APR 93

DATE PROMOTION
IS EFFECTIVE FOR PAY
AND ALLOWANCES

1 May 1993

H. JENSEN JR.
Colonel, USMC
Commanding



To all who shall see these presents, greeting:

Know Ye, that reposing special trust and confidence in the fidelity and abilities of STANLEY P. BATES 438 19 3280 *, I do appoint this Marine a* LANCE CORPORAL *in the*

United States Marine Corps

hundred and NINETY-ONE.

This appointee will therefore carefully and diligently discharge the duties of the grade to which appointed by doing and performing all manner of things thereunto pertaining. And I do strictly charge and require all personnel of lesser grade to render obedience to appropriate orders. And this appointee is to observe and follow such orders and directions as may be given from time to time by Superiors acting according to the rules and articles governing the discipline of the Armed Forces of the United States of America

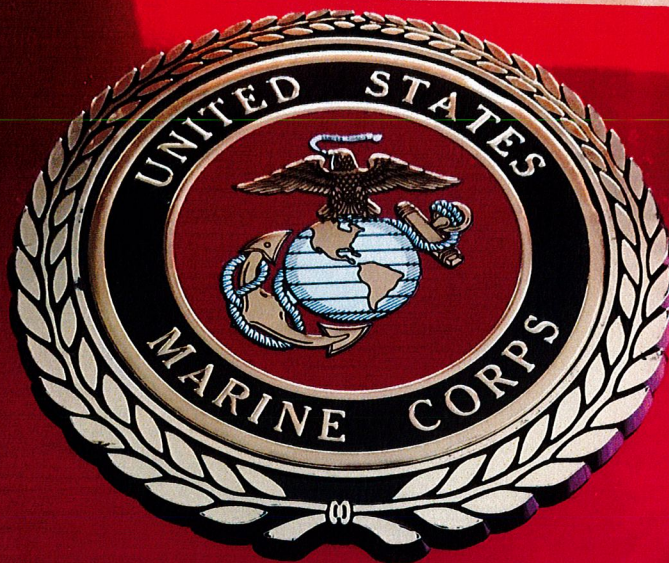
Given under my hand at Marine Barracks, Guam, Mariana Islands *this* FIRST *day of* MARCH *, in the year of our Lord nineteen hundred and* NINETY-ONE.

AUTHORITY MCO P1400.32A par. 2200.2

DATE OF PROMOTION 1 Mar 1991
This appointment is effective for pay and allowances on 1 Mar 1991.

Dennis M. Murphy
 DENNIS M. MURPHY
 Colonel, USMC
 Commanding





SGT BATES S.P.

"THE LAST SERGEANT"

941004 - 980501

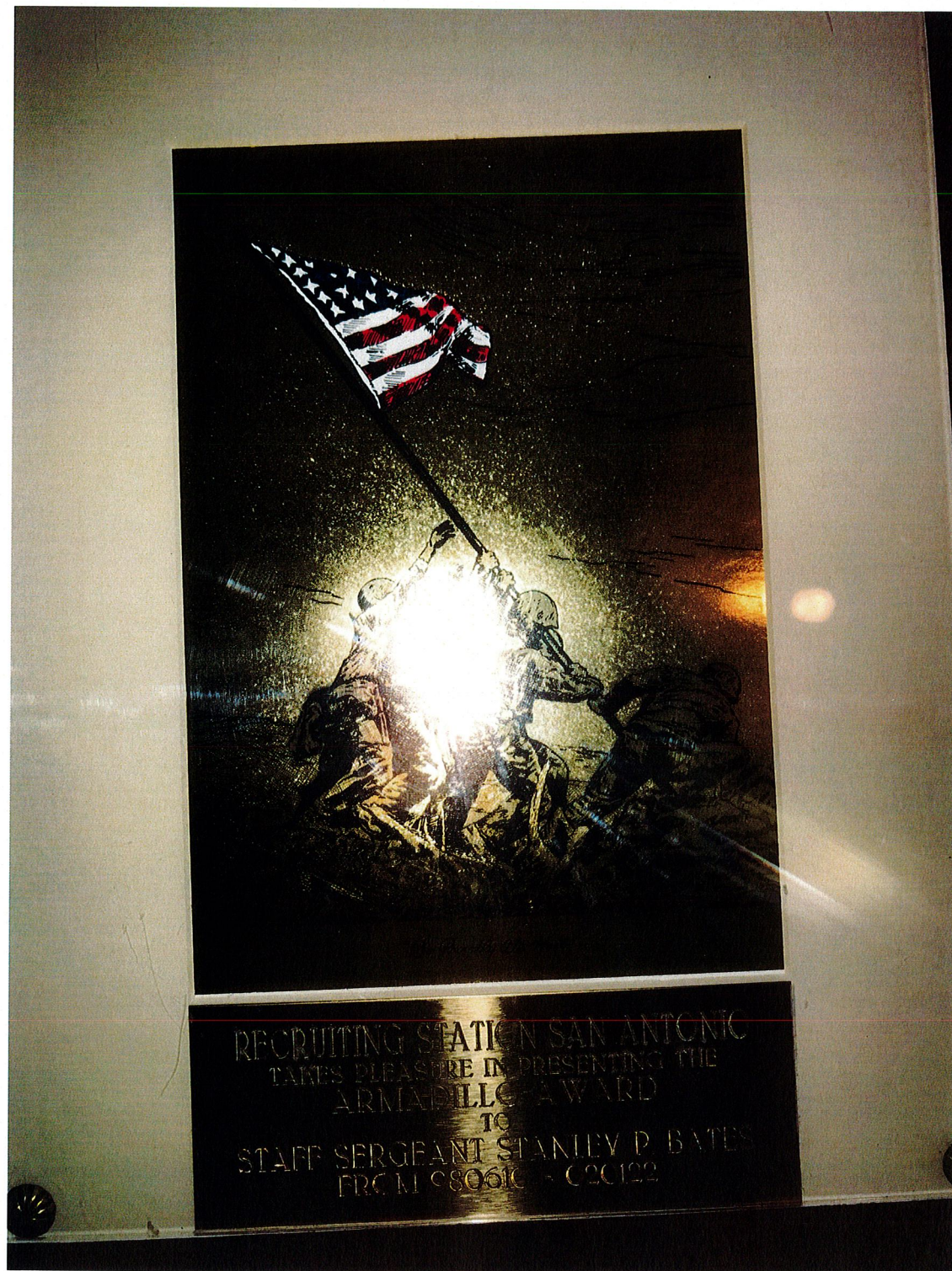
*FROM BRAGG TO CAX AND
HELL AND BACK. THANKS FOR
YOUR LEADERSHIP AND ALL OF
YOUR HARD WORK.*

"FIFI"

*FROM THE SNCO'S OF
GOLF BTRY*









Ron Edinger
President, Liquid Capital Texas
Principal, Liquid Capital Exchange, Inc

July 11, 2013

To Whom It May Concern:

Please use this letter as confirmation that Four Winds Logistics, with offices located in San Antonio, TX 78230 is a client of ours and has been granted a trade credit line for import and or export of commodities in the amount of \$50MM subject to eligibility of available accounts receivable or purchase orders.

Liquid Capital Exchange, Inc is a financial services company with 51 offices located throughout the U.S., Canada, Mexico, and the Caribbean. During 2012 Liquid Capital did just over \$450 million in lending throughout the US, Canada and the Caribbean. Liquid Capital is affiliated with Accord Financial Services, a \$2.2 Billion publically traded company provides similar financial services.

Through this financing arrangement, Four Winds Logistics has no practical limitation or cap on the dollar amount of account receivables or purchase orders financed.

Should there be any further questions please feel free to contact me directly.

Sincerely,

Ronald Edinger
Principal

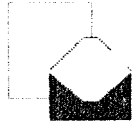
11703 Huebner Road,
Suite 106
San Antonio, TX 78230
(210) 587-7267

MacArthur Plaza
5525 N MacArthur Blvd, Suite 625
Irving, TX 75038
(972) 950-3550

**DEFENDANT'S
EXHIBIT**

CASE
NO. SA-17-CR-381

EXHIBIT
NO. 2



Fw: Proof of Operating and Selling Sand well before any Investors and Uresti/Cain: Delivery ETA
Kurt May to: Hina Chheda

07/19/2018 11:41 AM

----- Forwarded by Kurt May/TXWF/05/FDO on 07/19/2018 11:41 AM -----

From: Stan Bates <stanbates10@yahoo.com>
To: Kurt_May@FD.org, Anna_Borjon@fd.org
Date: 07/18/2018 10:44 AM
Subject: Proof of Operating and Selling Sand well before any Investors and Uresti/Cain: Delivery ETA

Buying and then Selling Frac Sand to Lewis Energy and their Drilling company Falcon!
Proof of operations of FWL prior to any help from anyone, and Uresti/Cain's involvement!

STAN BATES
Toll Free: 210.633.7156
Email: StanBates10@yahoo.com

Begin forwarded message:

From: B&B Marketing <StanBates10@yahoo.com>
Date: September 27, 2013 at 7:29:36 PM CDT
To: Justin Martin <Jmartin473@yahoo.com>, Ken Martin <kwminvest@yahoo.com>, "Frank E." <precision1auto@yahoo.com>, Nick Bazan <bazan1@msn.com>, George Rodriguez <georgerodriguezrealty@gmail.com>
Subject: Fwd: Delivery ETA

Read below:

Stan Bates
USMC Ret.
B&B Marketing, LLC.
Chief Executive Officer
"&"
Managing Partner
FourWinds Logistics, LLC.

Watch This:
New 5G "Sniper Marketing"
<http://www.bandbmarketing.com/why-bbmarketing/five-g-marketing.aspx>

Watch Now: "Stealth Media"
http://www.youtube.com/watch?v=prOdPT_UhXs

877-492-2655 Office
210-289-7639 cell

210-568-4342 e-Fax
Stan@BandBmarketing.com
SBates@FourWindsLogistics.com
www.BandBmarketing.com

Sent from my iPhone 5

To Opt Out from B&B Marketing's emails Reply "Out"

Begin forwarded message:

From: Javier Lucio <JLucio@lewisenergy.com>
Date: September 27, 2013 at 7:20:00 PM CDT
To: B&B Marketing <StanBates10@yahoo.com>
Subject: RE: Delivery ETA

Stan:

What is in-transit after the first 14 rail cars? What is their ETA? I need some type of tracking report, can you print the screen of whatever report you are looking at? Do you have rail car numbers?

I have jobs coming up and I need to know how much sand I can count on from Four Winds. What is the status of getting a log on ID for your tracking reports?

Javier Lucio
Operations Coordinator, Facility
Falcon Completion Services
Encinal, TX Division
O - 956.796.5136
C - 956-489-6027

From: B&B Marketing [StanBates10@yahoo.com]
Sent: Friday, September 27, 2013 17:19
To: Javier Lucio
Subject: Delivery ETA

1st (14) Rail Cars on time for 10-05-2013, we are locked and Cocked!

Stan Bates
USMC Ret.
B&B Marketing, LLC.
Chief Executive Officer
"&"
Managing Partner
FourWinds Logistics, LLC.
Watch This:
New 5G "Sniper Marketing

<http://www.bandbmarketing.com/why-bbmarketing/five-g-marketing.aspx>

Watch Now: "Stealth Media"

http://www.youtube.com/watch?v=prOdPT_UhXs

[877-492-2655](tel:877-492-2655) Office

[210-289-7639](tel:210-289-7639) cell

[210-568-4342](tel:210-568-4342) e-Fax

Stan@BandBmarketing.com

SBates@FourWindsLogistics.com

www.BandBmarketing.com

Sent from my iPhone 5

To Opt Out from B&B Marketing's emails Reply "Out"

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Watch Now: "Stealth Media"

http://www.youtube.com/watch?v=prOdPT_UhXs

877-492-2655 Office

210-289-7639 cell

210-568-4342 e-Fax

Stan@BandBmarketing.com

SBates@FourWindsLogistics.com

www.BandBmarketing.com

Sent from my iPhone 5

To Opt Out from B&B Marketing's emails Reply "Out"

On Oct 11, 2013, at 3:13 PM, Ken Martin <kwminvest@yahoo.com> wrote:

I moved this to monthly payroll, just FYI....

Ken Martin
6800 Park Ten, 216N
San Antonio, TX. 78213
KenM@thefourwindsgroup.com
www.thefourwindsgroup.com
210-843-6023

----- Forwarded Message -----

From: Dan Cardenas (PWF) <dancardenas@pinnacleworkforce.com>
To: Melanie Cook <mcook@fourwindslogistics.com>
Cc: Ken Martin <kmartin@fourwindslogistics.com>; Vanessa Benavides <vbenavides@pinnaclepeo.com>; Alexis Reyes <alexisreyes@pinnaclepeo.com>
Sent: Friday, October 11, 2013 2:23 PM
Subject: Re: Payroll

Thank you for the update, should there be any issues we can help with please let me know. So your next payroll will be for period end the 15th or for pay date the 15th; since it would be 1 month since your last payroll?

Thank you

Sent from my iPhone

> On Oct 11, 2013, at 1:56 PM, "Melanie Cook" <
mcook@fourwindslogistics.com> wrote:

>

> Dan,

>

> I spoke with Ken, he said we are moving payroll to monthly for now. Please let